



DEPARTMENT OF THE ARMY  
UNITED STATES ARMY  
NORTH ATLANTIC TREATY ORGANIZATION  
APO AE 09705

REPLY TO  
ATTENTION OF

ACRM-MG

10 November 2003

MEMORANDUM FOR All Supervisors

SUBJECT: Management Control Process (MCP) Information Paper #1: Explicit Statements of Responsibility for Management Controls

1. Reference. AR 11-2, 1 August 1994, Management Control.
2. All HQ USANATO military and civilian personnel, within their limits of authority and responsibility, have an inherent responsibility to establish, maintain, and practice effective management controls, assess areas of risk, identify and correct weaknesses, and keep their superiors informed. To ensure continued Management Control Process emphasis throughout the command all personnel with management control responsibilities are required to document these responsibilities in their performance agreements.
3. The Senior Responsible Official (SRO), Senior Management Council Members (SMC), Assessable Unit Managers (AUM), Commanders, Deputy Chief of Staffs (DCS), and Management Control Administrators (MCA) are required to include management control responsibilities in their job performance standards and have them on file with the HQ USANATO MCA as well as their respective Battalion MCA. In addition, all supervisors must ensure that an explicit statement of responsibility for management controls is documented in the performance agreements of all subordinates responsible for conducting MCP checklist evaluations. The absence of an explicit statement of responsibility must be based on the supervisor's determination that the individual does not have significant management responsibilities. NOTE: These explicit statements (on support forms) are a critical area requirement for the Command Inspection Program (CIP).
4. Definitions.
  - a. **Management Controls:** The rules, procedures, techniques and devices employed by managers to ensure accomplishment of mission goals and objectives. Included are the organizational structure (designating specific responsibilities and accountability), formally defined procedures (e.g., required certifications and

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reconciliations), checks and balances (e.g., separation of duties), recurring reports and management reviews, supervisory monitoring, physical devices (e.g., locks and fences), and measures used by managers to provide reasonable assurance that their subordinates are performing as intended.

b. **Management control responsibilities:** Those responsibilities outlined in Chapter 1 of AR 11-2 and any other management control responsibilities that commanders or managers assign to their subordinates.

c. **Performance Agreement:** Refers to the Officer Evaluation Report Support Form (DA Form 67-9-1) for military officers, the Senior System Civilian Evaluation Report Support Form (DA Form 7222-1) for "Senior System" civilian employees, the NCO Counseling Checklist/Record (DA Form 2166-8-1), and the Base System Civilian Performance Counseling Checklist/Record (DA Form 7223-1) for "Base System" civilian employees.

## 5. Procedures.

a. An explicit statement of responsibility should be reflected in performance agreements as follows:

-- For military officers, it should be reflected under "Major Performance Objectives" in Part IV of the Officer Evaluation Report Support Form (DA Form 67-9-1).

-- For "Senior System" civilian employees, it should be reflected under "Major Performance Objectives/Individual Performance Standards" in Part IV of the Senior System Civilian Evaluation Report Support Form (DA Form 7222-1).

-- For military enlisted, it should be reflected under "Counseling Record" part of the NCO Counseling Checklist/Record (DA Form 2166-8-1).

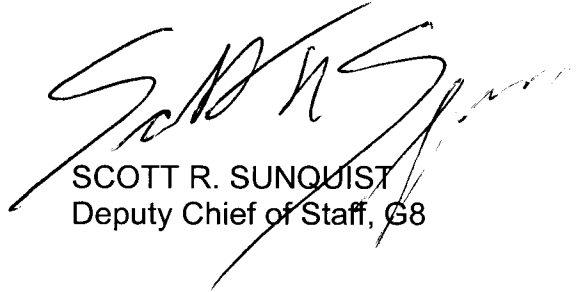
-- For "Base System" civilian employees, it should be reflected under "Counseling Record/Individual Performance Standards" part of the Base System Civilian Performance Counseling Checklist/Record (DA Form 7223-1).

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b. The statement of responsibility should be brief and may take any form, but it must be specific enough to provide individual accountability. Supervisors may use a stand-alone element or may include the management control responsibility as part of a broader element. (Examples are provided at enclosure).

FOR THE COMMANDER:

Encl



SCOTT R. SUNQUIST  
Deputy Chief of Staff, G8

## **EXAMPLES OF EXPLICIT STATEMENTS OF RESPONSIBILITY FOR MANAGEMENT CONTROLS**

The following are examples of explicit statements of responsibility:

### **-- Assessable Unit Managers:**

“As Assessable Unit Manager, complies with para 1-14 of AR 11-2 and ensures that management controls are in place and operating as intended. Corrects any management control processes not meeting the minimum standards as set forth by the Comptroller General standards.”

### **-- Management Control Administrators:**

“As Management Control Administrator, complies with Para 1-16 of AR 11-2 and ensures implementation and administration of an effective Management Control Process within organization.”

### **-- Managers and Supervisors:**

“Adheres to the provisions of AR 11-2 by ensuring the support for the Management Control Process program within division.” (you should be specific enough to provide your individual accountability for MCP in your division).

### **-- Division Subordinates:**

“Must conduct all mandatory management control evaluations for.....program in accordance with the requirements of AR 11-2 and applying the Comptroller General standards for Internal Controls”.